

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 8-K

Current Report Pursuant to Section 13 or 15(d) of
The Securities Exchange Act of 1934

Date of report (Date of earliest event reported): October 9, 2006

USA TECHNOLOGIES, INC.

(Exact name of registrant as specified in its charter)

Pennsylvania

33-70992

23-2679963

(State or other
jurisdiction of
incorporation)

(Commission File
Number)

(I.R.S. Employer
Identification No.)

100 Deerfield Lane, Suite 140
Malvern, Pennsylvania 19355
(Address of principal executive offices and zip code)

610-989-0340

(Registrant's telephone number, including area code)

n/a

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a -12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d -2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e -4(c))

ITEM 2.02. RESULTS OF OPERATIONS AND FINANCIAL CONDITIION

The information contained in and the Exhibit to this Form 8-K are being furnished in accordance with General Instruction B.2 of Form 8-K and shall not be deemed filed for purposes of Section 18 of the Securities Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of that section, nor shall it be deemed to be incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as expressly set forth by specific reference in such filing.

On October 9, 2006, the Company issued a press release regarding its revenues for the first quarter of fiscal year 2007. The text of this press release is attached as Exhibit 99.1.

ITEM 9.01 FINANCIAL STATEMENTS AND EXHIBITS

99.1 Press Release dated October 9, 2006, of USA Technologies, Inc.

SIGNATURES

Pursuant to the Securities Exchange Act of 1934, the Company has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

USA TECHNOLOGIES, INC.

By: /s/ George R. Jensen, Jr.
George R. Jensen, Jr.
Chief Executive Officer

Dated: October 12, 2006

EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press Release dated October 9, 2006

USA Technologies Announces Record Quarterly Revenue

Quarterly Revenue Exceeds \$2 Million For First Time in Company's History

MALVERN, Pa, October 9, 2006 -- USA Technologies (OTC Bulletin Board: USAT) announced today record revenue for the three months ended September 30, 2006. The Company's revenue for the period, slightly in excess of \$2 million, was driven by growing sales of the Company's e-Port® cashless transaction solution and strong sales of its EnergyMiser® energy management solutions. Last year, the Company reported revenue of \$1,364,000 for its fiscal first quarter ended September 30, 2005. In addition, the Company experienced a significant increase in gross profit compared to the three months ended September 30, 2005.

"Our recent launch of the e-Port Generation Six, the world's first cashless transaction solution for vending machines, integrates new radio frequency contactless card capability with the traditional swipe card process. This new technology helped drive our record quarterly results and has been received with great excitement by leading companies such as MasterCard International and Philadelphia Coca-Cola," said George R. Jensen, Jr. the Company's chairman and chief executive officer. "In addition, during the first quarter, we continued to see strong sales of our EnergyMiser product line."

The Company expects to announce its full first quarter results in mid-November.

Statement under the Private Securities Litigation Reform Act:

With the exception of the historical information contained in this release, the matters described herein contain forward-looking statements that involve risk and uncertainties that may individually or mutually impact the matters herein described, including but not limited to product acceptance, the ability to continually obtain increased orders of its products, the ability to meet installation goals, economic, competitive, governmental impacts, whether its pending patents will be granted or defensible; validity of intellectual property and patents of USA, the ability of USA to license its patents, the ability of USA to commercialize its developmental products, technological and/or other factors, which could cause actual results or revenues to differ materially from those contemplated by these statements.
